

Decision Maker: Executive

Date: 2nd December 2015

Decision Type: Non-Urgent Executive Non-Key

Title: **BECKENHAM PUBLIC REALM IMPROVEMENTS**

Contact Officer: Kevin Munnelly, Head of Renewal
Tel: 020 8313 4582 E-mail: kevin.munnelly@bromley.gov.uk

Chief Officer: Director of Regeneration & Transformation

Ward: Copers Cope, Clockhouse, Kelsey & Eden Park

1. Reason for report

- 1.1 The details of this report were previously included in the Town Centre Development Programme Update report (DRR15/098) which was scrutinized by the Renewal & Recreation Policy Development and Scrutiny Committee on the 27th October 2015. Executive approval is now sought for Council match funding for the original improvement scheme which was granted in October 2013. Since then the scheme has been subject to review at the request of Transport for London and stakeholders. Whilst the scheme scope has increase to cover the whole of the High Street area, there has been a corresponding increase in costs. Transport for London has agreed in principle to increase their funding by £950k.
- 1.2 In the absence of confirmation of alternative funding sources it is requested that an additional £240k is set aside from capital receipts to match fund the additional TfL contribution of £950k, bringing the Council's total match funding to £1.152m which represents 24% of the total scheme cost of £4.697m.

2. **RECOMMENDATIONS**

- 2.1 **Members of the Executive approve the allocation of £240k from Capital Receipts for the enhanced Beckenham Town Centre Improvement Project. The release of the Capital funding will be subject to the formal approval by Transport for London of additional funding of up to £950k to support the enhanced improvement programme.**
- 2.2 **To increase the capital estimate of the scheme by £1.44m to £4.697m, subject to Full Council approval.**

2.3 In the event that other funds including S106 monies become available, the contribution from capital receipts will be reduced.

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Quality Environment Vibrant, Thriving Town Centres:
-

Financial

1. Cost of proposal: £4.697m
 2. Ongoing costs: Non-Recurring Cost
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £3.257m
 5. Source of funding: TfL funding, Capital Receipts and Earmarked Reserve for Members priorities
-

Staff

1. Number of staff (current and additional): 4 FTE
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
 2. Call-in: Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Incorporated in the body of the report

3. COMMENTARY

- 3.1 The Council received notification on 16 December 2013 that Transport for London had approved the Beckenham Initial Scheme Design (Step 1) bid and that funding of £310k was allocated to cover Design and Development costs. This funding was to be used to cover the costs of undertaking survey work and producing and consulting on an outline scheme design. This initial funding allocation also included the costs of working up a detailed design to contract stage drawings. The original estimated cost of the concept scheme was £3.257m and in support of the bid the Executive on 16th October 2013 approved the allocation of £912k (£762k Capital Receipts & £150k Members Initiative earmarked reserves) to match fund the TfL allocation of £2.345m towards the improvements.
- 3.2 Since the approval of funding for the design phase of the project, the Council has been working with the design team and external stakeholders to refine the scope, design and costings of the scheme. The outline design stage is now complete and the resulting design has been presented to the Beckenham Town Centre Working Party (2nd July 2015), the Bromley Town Centre Member Working Party (1st October 2015) and Renewal & Recreation PDS (27th October 2015) for their endorsement. Work is now moving on to completing the detailed design stage prior to anticipated implementation in mid- 2016. It is still subject to final stage sign off by both TfL and the Council's Executive.

Revised Scheme Design

- 3.3 The original concept design upon which the original Step 1 bid was based has been amended to reflect the specific input from:
- Urban Design London (TfL) Design Surgery June 2014.
 - Traffic Modelling February 2015.
 - Public Consultation 2014-15.

The design team have worked closely with stakeholders, including the Beckenham Town Centre Working Party, to refine specific design elements, and the revised design has benefited from feedback from site visits this group have undertaken. The proposed changes, many of which were requested by TfL, have resulted in a significantly improved scheme, which will enhance delivery and add to the original bid outputs and outcomes. Proposed changes and benefits include:

- Adopting a focus on investing in improving the origin and destination points in the High Street. This has included upgraded treatment of the spaces around the Odeon Cinema, Sainsbury and Lidl forecourts, Beckenham Green, Kelsey Square and the Station forecourt.
- Enhanced improvements at Beckenham Green that integrate the space better with the High Street and St George's Church. Note that Beckenham Junction and Beckenham Green were cited as top priorities in the public consultation.
- Feedback from stakeholder site visits to Richmond and Twickenham have influence the redesign of the crossing treatment, with an increase in the quality of material on footway and a simpler asphalt treatment on the carriageway.
- The most substantial change from the original scheme scope is the proposal to replace the whole of the footway in the High Street instead of undertaking limited maintenance works outside of the junction areas. It is now proposed to upgrade the whole length of the High Street from the War Memorial to Beckenham Junction by replacing the existing footway

surface with new high-quality paving. It is also now proposed to resurface the whole of the road carriageway.

Scheme Assurance and Delivery

- 3.4 In addition to the work outlined above, the design team has worked closely with a number of other internal teams to ensure that the scheme is buildable, that the impacts (particularly on traffic) are understood and that the scheme meets local expectations. The Borough's Highway Engineering team have scrutinised the designs to ensure that they meet all the necessary engineering design standards and detailing. A topographical survey was undertaken and the designs transposed onto the accurate plan. The team has advised on issues such as drainage, vehicle turning requirements at junctions and potential construction methodologies.

The designs have also been subject to traffic modelling to investigate the impact on traffic and congestion, which shows that any journey time increases are within an acceptable limits and do not affect the heavily used A2015 Rectory Road.

As part of the design development process a series of public consultation events were carried out in Spring 2015. A summary of the consultation responses is attached as Annex 1, along with of the consultation's conclusions on the priority of improvement projects, which led to many of the design changes. This consultation confirms that the revised improvement scheme has significant local stakeholder support.

Revised Cost Plan

- 3.6 As part of the review the Council also undertook a detailed scheme costings exercise. This exercise identified the significant costs differences between the original Step 1 budget estimations and the more detailed Work Stage C revised scheme drawings. The design team have worked with the engineering team to attempt to reconcile the cost differences and eliminate any unnecessary costs items. The revised scheme has then been costed using the Council's Framework Agreement with F M Conway. The main items driving the cost increases include:
- Term Contract Price Inflation Increase (£400k)
 - Proposed replacement of all footway surfaces in the High Street. (£250k)
 - Enhancement of surface treatment to origin and destination hotspots (£309k)
 - Full Carriageway Resurfacing (£272k)
- 3.7 The estimated cost of the revised scheme is now £4.697m, which represents an increase in costs of 44% on the estimated cost of the original concept scheme. Transport for London have agreed to review their funding support as part of the detailed design stage within an additional £950k funding envelope, making their maximum contribution to the improvement project £3.295m. Subtracting the previous Council capital allocation of £912k made in October 2013, leaves a potential funding shortfall of £490k. This figure will be reduced to £240k as provision will be sought to allocate £250k from the Borough's 2016/17 Principal Road Maintenance allocation to contribute the resurfacing of the High Street, which has previously been highlighted as a priority area following a condition survey.
- 3.8 In addressing the resulting funding shortfall of £240k officers are currently in discussions with Network Rail on integrating their proposed improvement works to Beckenham Junction Station, so these improvements can contribute to meeting the costs of the proposed improvements to the station forecourt and pedestrian linkages to the High Street. Officers are also examining the

allocation of S106 funding from the Glaxo Smith Kline's S106 agreement, which can be used for initiatives that promote employment opportunities, to contribute to the funding shortfall.

- 3.9 The Bromley Town Centre Outer London Fund Post Project Evaluation Report produced by Regeneris Consulting considered the employment impacts of the town centre improvements in Bromley Town Centre.

The report produced the following conclusions:

- In Bromley North Village, where the project target output for jobs was 43, the actual jobs created post project were twice the target (a total of 86)
- Businesses in the area indicated that 25% of these jobs created were attributable to the physical improvements;

Based on the findings of this study it is estimated that the revised Beckenham scheme, calculating floor area to FTE jobs using an accredited formula contained in the Homes and Communities Agency's Employment Densities Guide and taking into consideration that vacant retail spaces alone are returned into retail use, excluding the charity shops, the potential estimated job increases attributable to the scheme would equate to between 27 to 60 jobs with a figure of £20,000 average salary costs has been equated to each job created.

- 3.9 TfL acknowledge that additional funding will be required to cover the cost of the detailed design work as part of the Design & Development stage, and they have allocated a further £32k in 15/16 to cover this, bringing the detailed design budget allocation to £342k. As was the case in Bromley North Village it is proposed to use the Council's Highway Term Contractor F M Conway to undertake the detailed design for this improvement scheme. It is anticipated that this work will take approximately 5/6 months to complete. Further reports will be brought back to the R&R PDS and Executive Committees to update on design, costs and funding.

4. POLICY IMPLICATIONS

- 4.1 Work delivering the Town Centres Development Programme is entirely consistent with Policy Objectives set out in Building A Better Bromley and the Renewal & Recreation Portfolio Business Plan 2014/15. The work of the Renewal team links to the Building a Better Bromley priorities by working towards the provision of Vibrant and Thriving Town Centres.

5. FINANCIAL IMPLICATIONS

- 5.1 The estimated costs of the Beckenham Improvement scheme have been revised following the detailed design work and input from TfL. The costs have increased by 44% and are now estimated to be £4.697m. Paragraph 3.6 above, details the main variations and the table below summarises the variances of both the costs and funding: -

Design, Development and Implementation costs	Original Estimate	Latest Estimate	Variance
	£'000	£'000	£'000
Stage 1 Design and Development costs			
Transport model & survey work	45	45	0
Feasibility & outline design	70	70	0
Detailed design & consultation	195	227	32
	310	342	32
Implementation costs			
Capital works including contingency	2,747	4,155	1,408
Scheme management costs	200	200	0
	2,947	4,355	1,408
Total estimated scheme costs	3,257	4,697	1,440
Funding			
TfL (subject to formal approval)	2,345	3,295	950
Earmarked reserve balance for Beckenham Improvements	150	150	0
Capital Receipts (subject to approval)	762	1,002	240
Principal Road maintenance 2016/17 allocation from TfL	0	250	250
	3,257	4,697	1,440

- 5.2 The Council had previously agreed a contribution of £912k towards the scheme and TfL have now informally confirmed a maximum contribution of £3.295m, which includes the £342k for the design and development costs. This leaves a potential funding shortfall of £490k.
- 5.3 Provision will be sought to allocate £250k from the Borough's 2016/17 Principal Road Maintenance allocation from TfL, to contribute to the resurfacing of the High Street, which reduces the potential shortfall to £240k. Officers are investigating various options to address this shortfall including entering into discussions with Network Rail about the integration of their proposed improvement works to Beckenham Junction Station and the potential use of the S106 contribution from the Glaxo development. The first part of the S106 contribution would be expected to be received 18 months after the start date of the development, estimated to be around Summer 2017.
- 5.4 In the absence of confirmation of alternative funding sources it is requested that an additional £240k is set aside from capital receipts to match fund the additional TfL contribution of £950k , bringing the Council's total match funding to £1.152m which represents 24.5% of the total scheme cost of £4.697m.

6. LEGAL IMPLICATIONS

- 6.1 None for the purposes of this report.

7. PERSONNEL IMPLICATIONS

- 7.1 None for the purposes of this report.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	